GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1956
ANSWERED ON:28.11.2016
New Steel Plants
Maganti Shri Murali Mohan;Patel Shri Prahlad Singh

Will the Minister of STEEL be pleased to state:

(a) whether the Government proposes to set up new steel plants including in Public Private Partnership mode in various parts of the Country including Andhra Pradesh and Telangana;
(b) if so, the details thereof along with the locations identified for the purpose, State/UT-wise;
(c) the total investments made by private sector for establishing steel plants during the last 10 years and production capacity of each plant;
(d) whether any State has submitted proposals for establishing steel plants in their States, if so, the details and the status thereof, State/UT-wise; and
(e) the steps taken/proposed to be taken by the Government to improve domestic steel production in the country?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a)&(b): No, Madam. The Government is not considering to setup steel plants.

(c)&(d): Steel being a deregulated sector, the role of Government is limited to that of a facilitator only for the growth of steel industry in the country. Decisions relating to setting up of steel plants etc. are, therefore, the sole decision of the individual steel manufacturer based on various factors including commercial consideration and market dynamics. However, Crude steel production capacity of the country has been increased to 122 MT in 2015-16 from 56 MT in 2006-07.

(e) The following are the steps taken by the Government to enhance steel production:-

(i) The Government has launched the 'Make-in-India' initiative to focus on manufacturing and infrastructure, which facilitates promoting the demand and consumption of steel in the country.
(ii) The public sector enterprises in the steel sector have undertaken expansion and modernization of their steel plants to increase production of steel.
(iii) To ensure that only quality steel is produced and imported, Government has notified Steel and Steel Product (Quality Control) Orders dated 12.03.2012 and 04.12.2015.
(iv) Government has notified Mines and Minerals (Development and Regulation) Amendment Act, 2015 to streamline grant of Mining Leases in order to maintain sufficient availability of raw materials for the various sectors including steel sector.
(v) Government has notified the Coal Mines (Special Provisions) Amendment Act, 2015 on 30.03.2015 to streamline coal block allocation.
(vi) To provide level playing field to the domestic steel producers, Government has imposed Minimum Import Price (MIP).

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